FCIB

An Association of Executives in Finance, Credit & International Business

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Finance, Credit & International Business

International
Credit & Collection
Survey Results

3rd QUARTER 2002
July 1, 2002 – September 30, 2002

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FCIB Credit & Collection Survey
Explanation of Survey Fields

Field 1 – Industry Groups

The numbers in the column are the first two-digit SIC codes for the group whose data is entered in the corresponding row. A dash (-) signifies that the entry represents all inputs for that country.

Industry groups are included in the survey results according to the first two digits of the export industry's SIC code as provided to us by each survey participant. They are:

26	Paper & Allied Products
28	Chemicals & Allied Products
30	Rubber & Miscellaneous Plastic Products
36	Electronic and other Electrical Equipment & Components except Computers

All groups with 4 or more inputs in a country are reflected in the results published for that country.

Field 2 – Number of Inputs

This number is the total of respondents in each country. When following an industry group number, it represents the number of respondents from that industry group.

Field 3 – Terms by Degree of Usage

Terms are shown in the order of usage ***as the primary method of transaction*** in each country. The method of selling is reported followed by the percentage of respondents using those terms. The possible terms are:

CAD	=	Cash Against Document
D/D	=	Dated Draft
D/A	=	Draft Acceptance
IL/C	=	Irrevocable Letters of Credit
O/A	=	Open Account
PIA	=	Payment in Advance
S/D	=	Sight Draft.

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Please note that not all terms used in a country are reported at all times. In other words, the fourth, fifth or even sixth term will not be shown. However, a quick check will indicate that the three terms most used usually account for 90% plus of the respondents. A dash (-) indicates "none".

Field 4 – Days Granted

The arithmetic average (mean) of days granted by terms other than Payment in advance, Sight Draft and Sight Letter of Credit is shown. The modal average (mode) has been replaced by the standard deviation from the mean. A dash (-) appears where no information was input.

Field 5 – Average Collection Time

Days from the date of invoice to the date of receipt of funds. This is an arithmetic average of all days granted by terms other than Payment in Advance, Sight Letter of Credit and Sight Draft.

Field 6 – Payment Delay

Calculated by subtracting the average days granted by terms (Field 4, mean) from the average collection time (Field 5). A dash (-) indicates zero.

Field 7 – Number of Large Past Due Accounts

The number of accounts that are $50,000 or larger AND become past due for 60 days or longer in the quarter surveyed.

Field 8 – Number of Accounts

Members were asked to indicate the number of accounts related to their reported terms and conditions in each country. These accounts are then aggregated by country. This measure, along with the number of members reporting experience in the country, provide a relative reliance to place upon the information.

Field 9 – Percentage of Business by Letters of Credit

Members were asked to input the percentage of business done by Letters of Credit in each country. This field shows the arithmetic average of all such inputs. Therefore, it could be used as a rough indicator of the percentage of total trade completed by Letters of Credit in a country. A dash (-) indicates 0%.

Field 10 – Percentage of Letters of Credit Confirmed

This field indicates the percentage of all Letters of Credit that were confirmed as reported by members using Letters of Credit in that country. A dash (-) indicates 0%.

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